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'Yankee Trader'—Mystery Man in Missile Spying Case

By ERIC MALNIC and MARK STEIN, *Times Staff Writers*

SAN FRANCISCO—He liked to think of himself as the "Yankee trader"—a savvy, international wheeler-dealer in electronics equipment.

A close friend thought of him more as a "banty rooster"—a scrappy little promoter in pursuit of a dollar.

But federal investigators say that William Bell Hugle, 58, was actually the "Big Man," a mysterious figure who arranged meetings between Polish intelligence agents and James Durward Harper Jr., who was arrested here last Saturday on suspicion of selling defense secrets that were relayed to the Soviet KGB.

In an appearance in federal court here Wednesday, Harper's arraignment was set for Nov. 10 and he was ordered to remain in custody without bail.

But Hugle, who is considered a suspect by federal authorities and has been called to testify before a federal grand jury here, remained free Wednesday, refusing to emerge from hiding to answer the mounting questions about him.

The essence of those questions is contained in a 33-page affidavit filed in support of the warrant that led to Harper's arrest on suspicion of selling for \$250,000 information that U.S. officials say is of incalculable value to Warsaw Pact military planners.

In that affidavit, an unnamed attorney later identified as William Dougherty, Harper's lawyer, said that during a meeting in Warsaw in 1979, Hugle agreed to accept a one-third share of the \$250,000, apparently for his services in introducing Harper to Zdzislaw Pryzch-

odzien—an agent of the Polish Intelligence Service known to operatives as "The Minister."

Hugle's services as a go-between were also attested to in the affidavit by "The Source," a former member of Polish intelligence who has since defected to the West.

And other information about Hugle began surfacing this week.

Bankruptcy records on file in San Bruno confirm that there were previous dealings between the American electronics merchant and Pryzchodzien.

These records indicate that in 1974, Pryzchodzien, representing himself as an official of a Polish export company, filed a claim against Hugle's now-defunct Hugle International Inc. of Sunnyvale.

Friends also recalled that during the late 1970s—while, according to published reports, Hugle was under investigation for shipping electronics equipment to Poland in possible violation of a federal law—the San Jose businessman lived in England for a while to wait for things to cool off.

For many of those who knew Hugle in the 1970s—including Rep. Don Edwards (D-Calif.), who remembers him as an unsuccessful congressional candidate—the investigators' revelations about Hugle come as a surprise and shock. "I was bowled over," Edwards said in an interview Wednesday.

But to others—including Don Hoefler, who remembers Hugle as a drinking buddy—the accusations seem all but inevitable.

Electronics Engineer

Hugle, who like his then-wife, Frances, had been trained in the Eastern states as an electronics engineer, moved west in 1959, settling in the Bay Area two years later.

Both were hard-working and ambitious, and within a few years they had founded Hugle Industries Inc., a firm that turned out semiconductor fabrication equipment. The business

thrived, and the couple and their two daughters moved into a comfortable home in an affluent section of Palo Alto.

"Fran was the technical brains of the outfit and he was the promoter," Hoefler said. "He was good at it—short but very aggressive. A regular banty rooster."

But in 1968, Frances Hugle died and, not long after, Hugle Industries was sold.

In 1971, Hugle started another firm, Hugle International, and it, too, seemed destined for success.

For a while, the money flowed in, and Hugle spread it around, some of it in support of local Democratic candidates.

"I remember him at some of the cocktail parties," said Carolyn Baer, who has remained active in Democratic politics. "He had one of the parties at his home."

Hugle got so involved that in 1970, when Edwards showed a momentary disinclination to run for reelection, Hugle offered his name as a replacement candidate.

Edwards eventually decided to run after all and Hugle dropped out, but two years later he was an unsuccessful primary candidate in an adjacent district. The winner of that primary, James Stewart, lost the November race to the Republican incumbent, Rep. Paul McCloskey.

Hoefler, publisher of *Microelectronics News*, a local industry newsletter, helped Hugle in his bid for public office, turning out some of the campaign literature under the title "Hugle's Bugle."

"Among the things it called for

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